



Pierce County

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January 30, 2015

Dr. Kristine F. Hoover, Chair
Legislative Ethics Board
P.O. Box 40482
Olympia, WA 98504-0482

Dear Dr. Hoover,

Pierce County seeks an advisory opinion from the Washington State Legislative Ethics Board. Pierce County (County) waives the right to confidentiality.

Question

Would it violate the State Ethics Act, 42.52. RCW, for Pierce County government to grant admission to the grounds of Chambers Bay during the United States Golf Association (USGA) 2015 U.S. Open and the County hospitality area, which will include light, self-serve refreshments, under the following circumstances:

In 2008, the USGA awarded the 2015 U.S. Open to Chambers Bay. It will be the 115th U.S. Open, but only the third municipal course to host golf's national championship (after Bethpage Black, a state park in New York, and Torrey Pines, owned by the City of San Diego). Chambers Bay will be the first golf course north of San Francisco to host the U.S. Open.

The 2015 U.S. Open will be one of the biggest sporting events ever held in the Pacific Northwest. Dozens of hours of television coverage will showcase Chambers Bay, the Puget Sound and more before a global audience of well over 100 million. An estimated 235,000 people will attend the championship during the week of June 15-21, 2015. There will be three days of practice rounds (Monday – Wednesday) followed by the four-day competition, which begins Thursday, June 18. (In case of a tie, an 18-hole playoff will be conducted on Monday, June 22nd).

Pierce County developed Chambers Bay and its adjacent parkland as part of a unique, nationally recognized redevelopment of a former industrial gravel mine. The site balances multiple needs at the site for public access, a modern waste water treatment plant, and revenue generation, while capitalizing on the site's breathtaking location on the shore of Puget Sound. Part of the Chambers Creek Regional Park, the golf course shares the 930 acre property with trails, meadows, beaches and forest. It is a remarkable public venue for golf, recreation, and beach access. Chambers Bay has the only public access through a golf course in the U.S.



With the modernization of the nearby wastewater treatment plant, Pierce County is leading the way in environmental reclamation. The \$350 million wastewater treatment plant upgrade and expansion will replace aging infrastructure and help stay ahead of changing environmental regulations. The county received a \$13 million loan from the State Public Works Trust Fund (PWTF) to supplement the county's bond sales. The loan will be paid back to the State with 1% interest over 20 years, saving the county and sewer rate payers nearly \$7 million just in interest payments. The County intends to continue to apply for PWTF loans for the 2015 and 2016 funding cycles to augment future bond sales and help finance the \$350 million project. The project will ensure future growth in the region, increasing treatment capacity from 28.7 million gallons per day to 43. The county recently received an "Outstanding Performance Award" from the State Department of Ecology for achieving full compliance with its National Pollutant Discharge Elimination System (NPDES) permit.

The USGA contracted with Pierce County in February 2008 to use Chambers Bay Golf Course and properties for the 2010 U.S. Amateur and the 2015 U.S. Open. The contract includes payments to Pierce County and shared costs of improvements to the golf course. As part of that contract, Pierce County receives 300 admissions tickets to the U.S. Open. Pierce County is setting up a hospitality tent equipped with tables, chairs, reader boards, televisions, and food and beverages. A standard admission ticket to the 2015 U.S. Open is \$ 110.00 on June 18th and 19th, the days of this proposed legislative reception. The legislative reception (see proposed program, attached) will showcase the state and local planning and execution of this large international event. During the event, only light, self-serve refreshments will be available, paid for by Pierce County.

The Chambers Bay properties are located in the City of University Place, which is in the 28th legislative district. The cities of Tacoma, University Place, Lakewood, Steilacoom and DuPont are assisting Pierce County with the planning, logistics, security, traffic and crowd control. Other jurisdictions – including Puyallup, Sumner and Seattle – are also contributing to the planning effort. Almost all of the traffic coming off of I-5 will travel through the 29th and the 27th Legislative Districts. The bulk of the hotel beds rented for this event will be located in downtown Seattle (43rd and 36th Legislative District), Sea-Tac (33rd Legislative District), Tacoma/Fife (27th and 29th Legislative Districts), and Kitsap and Thurston counties. A significant amount of sales tax revenue associated with the 2015 U.S. Open will be generated in those Legislative Districts. Based on the experience at Torrey Pines, the State can expect at least \$8 million in sales tax revenues.

This event presents manageable challenges with respect to traffic, crowd control, and security for a major 7-day sporting event whose scope touches other governmental entities in Western Washington. The Washington State Department of Transportation (WSDOT) is part of the planning process regarding transportation, and security arrangements are being coordinated with the Washington State Patrol (WSP). Because of the global nature of the event, the FBI considers this a significant target for terrorism, thus requiring extraordinary law enforcement and emergency management planning. This event requires a great deal of interaction among the Pierce County Sheriff and other local law enforcement agencies (Steilacoom, Dupont, Lakewood, University Place, Tacoma, Seattle, and Everett) and state agencies (WSDOT, WSP). In recognition of this,

the Governor's supplemental operating budget contains a \$750,000 appropriation to WSP to aid with the security plan.

Given the weeklong duration of the event, the economic impact of the U.S. Open is greater than a Super Bowl or the World Series. In terms of tax revenue, the State of Washington receives the single biggest benefit from the U.S. Open. U.S. Open will bring in an estimated \$8 million for the state and an estimated \$2 million for King County.

Because, in part, this event is taking place due to the State's infrastructure investments and partnership, it is valuable for state officials to see this event as it unfolds in order to understand and evaluate what the event means for the State. Legislators will be able to observe interaction of local and state authorities as they manage this major sports event. Legislators will get to see firsthand how this large number of attendees will get to the course without tying up traffic in the I-5 corridor. Because this will be one of the only times that all the individuals who have participated in planning and carrying out this event will be together, it will provide an ideal opportunity to answer questions from the policy makers, as well as showcase the results of state grants to the County which have helped make Chambers Bay so special. For example, in 2007 the County received funding from the State Department of Community, Trade and Economic Development of \$2.4 million, along with a \$750,000 grant from the State Recreation and Conservation Office to fund construction of the "Bridge to the Beach." That project allowed, for the first time in over 100 years, safe pedestrian access to a 2.4 mile stretch of Puget Sound shoreline the Chambers Bay properties.

In the last State Capital budget, the County received funding to remove a dilapidated wooden dock anchored in place with over 600 creosote-infused pilings at Chambers. This work was completed in December 2014, and is a major step in the restoration of aquatic life in the Toliva Shoals area of Puget Sound.

The County hopes to partner with the State again to construct an ADA-accessible pier an additional 350 feet from the terminus of the Bridge to the Beach. The project includes installation of a 1,200 square foot floating moorage, tide-adjustable gangway and 240 lineal feet of public day-use dock space for boaters. An innovative "sea-through" design will allow for a reduction in shading of the near-shore seabed by up to 95% compared to a standard pier, providing a safe haven for a wide variety of sea life. Many local observers have said they wished we had that in place for the 2015 U.S. Open. We certainly hope to have it before we – hopefully – host the national championship again.

Ultimately, assuming the U.S. Open at Chambers Bay is a success, the County hopes to get on the USGA rotation and host it again, contributing more tax revenue to the State. During the U.S. Open, legislators and state officials will have the special opportunity to hear from Pierce County regarding the size and economic impact of the U.S. Open, as well as hear from officials from other states detailing the cooperation between other states and localities that have repeatedly hosted U.S. Opens.

January 30, 2015

Pierce County believes that providing admission to certain legislators and other state officials to the U.S. Open complies with the State Ethics Act. RCW 42.52.150(2)(g) provides a rebuttable presumption that the \$50 gift limit, as well as reasonable expectation rule of RCW 42.52.140, do not apply to the "admission to, and the cost of food and beverages consumed at, events sponsored by or in conjunction with a civic, charitable, governmental, or community organization." RCW 42.52.010(9)(d) exempts from the gift definition "payments by a governmental or nongovernmental entity of reasonable expenses incurred in connection with a speech, presentation, appearance, or trade mission made in an official capacity.

The 2015 U.S. Open does fall within the category described in RCW 42.52.150(2)(g): "events sponsored by or in conjunction with a civic, charitable, governmental, or community organization." The statute establishes a presumption that the cost of admission, as well as the cost of food and beverages consumed at such events, will not be subject to the \$50 gift limit, nor "influence the vote, action, or judgment of the officer or employee, or be considered as part of a reward for action or inaction." (RCW 42.52.140; 150). This invitation comes directly from a governmental organization, Pierce County. The purpose of this reception is to demonstrate to legislators the importance of governmental cooperation in successfully hosting a major international sports tournament and to show them the economic importance of investing state dollars in such events of statewide significance.

Thank you for your consideration.

Sincerely,



Al Rose
Executive Director, Justice Services

Enclosure

cc: Mike O'Connell, Counsel, Legislative Ethics Board
Jennifer Joly, Pierce County Government Relations

Legislative Ethics Board Members:
Judge Gary B. Bashor, Cowlitz County Superior Court
Eugene Green
Drew Hansen, Representative
Jim Honeyford, Senator
Steven L. Johnson
Jamie Pedersen, Senator
Kenny Pittman, Vice-Chair
Brandon Vick, Representative

AGENDA

June 18/19 2015

Chambers Bay

10:00 am – 10:30am

The legislators will be met at one of the Satellite parking lots to be transported by bus to Chambers Bay. At the satellite lot and on board the way, legislators will be briefed on the transportation plan for the week of the U.S. Open and hear details about its implementation.

10:30 am – 10:45 am

Upon arrival at Chambers Bay, legislators will be taken through security and escorted to the Pierce County hospitality tent. This area has sweeping views of the golf course, the walking trails, the bridge to the beach and Puget Sound.

10:45 am – 11:00 am

Security briefing overview

11:00 am – 11:25 am

Transportation briefing – challenges moving people through the Puget Sound

11:25 am – 11:45 am

Inter-Governmental Cooperation and Coordination Briefing

11:45 am – 12:05 pm

Briefing by Sewer Utility regarding Waste Water Treatment Plant expansion and modernization

12:05 pm – 12:20 pm

Briefing by Parks and Recreation detailing the opening of 2 miles of beach access by the Bridge to the Beach and plans for an ADA –accessible pier including floating moorage and public day-use dock space

12:20 pm – 12:40 pm

Briefing by Economic Development regarding Economic Impact of U.S. Open and future U.S. Opens

12:40 pm – 12:45 pm

Closing remarks